

COMPTON COMMUNITY COLLEGE DISTRICT PROGRAM REVIEW

Accounting Services

Office of the Chief Business Officer

I. OVERVIEW

A. Program Profile

Instructions: The program profile should contain the program name, primary objectives, funding source(s), a profile of the students or clients served, and any other information that will provide the reader with a more complete understanding of the program.

The Accounting Services supports the District's Mission, Vision, Core Values, and Goals by providing accounting and financial resources needed to ensure staff, faculty, and students can be provide an effective learning environment. The Accounting Services Department includes Accounting, accounts payable, accounts receivable, audits, auxiliary services, banking, budgeting, cashiering, cash receipts, chart of accounts, financial reporting, investment & financing, petty cash, student accounts, student financial service, and student refunds.

The Accounting Services department provides specific support through the following means:

- Ensuring sufficient funding for various events/activities that support the Mission, Vision, Core Values and Goals of the District and through timely processing of the related expenditure and reimbursement documents.
- Providing accurate reporting to board, state, and federal agencies.
- Managing the District budgeting and ensuring adequate reserves a sufficient for long-term planning.
- Supporting the decision-making process through transparency in the budget development process.

B. Status of Previous Recommendations

No recommendations that were provided in the last program review.

C. Continuing Recommendations

No recommendations that were provided in the last program review.

II. PROGRAM DATA

A. Customer/Student/Client Satisfaction

Instructions: List and analyze the results of the student or client satisfaction survey. Based upon the analysis what program improvements should be made. Assistance from Institutional Research and Planning will be necessary to create, distribute, and tally the survey.

There is no student or client satisfaction data to analyze at this time however, Accounting Services has developed areas of improvements that much be addressed. The following major improvements that have been identified as follows:

1. Inability to process invoices timely
2. Reconcile fund, account balances, bank balances timely
3. Reconcile the District's two financial systems timely
4. Analysis accounting data
5. Lack of day-to-day management and oversight of District categorical budgets

B. Customer/Student/Client Outcome Data

Instructions: This section requires the analysis of customer, student or client program data (i.e., metrics) that has been collected over the past three years. Metrics should be thought of as program specific data such as the number of customer/students/clients who utilized various segments of your service over a specific period of time.

Analyze program data. Identify and list trends found in the data.

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1. Inability to process invoices timely
2. Reconcile fund, account balances, bank balances timely
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5. Lack of day-to-day management and oversight of District categorical budgets

Based upon the trends and performance indicator data (e.g., metric) what changes, if any, should be made to improve the program? All program improvement must be tied to the data.

The Accounting Services department is responsible for the entire District's finance resources (budget and financial). The Accounting Services area balances the District's needs with the financial resources available and plans for future needs by identifying the availability of any future resources.

A primary function of the Accounting Services area is serving the financial and reporting needs of the District and various departments throughout the District. The Accounting Services area meets with departments to discuss issues affecting their budget and/or program as a whole. The Chief Business Officer provides information such as monthly budget to actual reports, cash flow projections, budget forecast information including the District's Five-Year Budget to the Planning & Budget Committee.

There is no student or client satisfaction data to analyze at this time however, Accounting Services has developed areas of improvements that much be addressed. The following major improvements that have been identified as follows:

1. Inability to process invoices timely
2. Reconcile fund, account balances, bank balances timely
3. Reconcile the District's two financial systems timely
4. Analysis accounting data
5. Lack of day-to-day management and oversight of District categorical budgets

Inability to process invoices timely – the District currently has two accounting technicians that are responsibly for processes the District's 50,000+ annual invoices. The District has done the best it can do given the limitations of two individuals on which one accounting technician has other duties other than processes invoices. In relativity the District truly only has 1.5 accounting technicians devoted to processes invoices. Other duties have to assigned to one of the accounting technicians three (3) individuals (2 accountants and 1 accounting technician) leaving the department. With the volume of invoices and travel requests that are processed, adequate support must be increased to a minimum of three (3) full operating accounting technicians.

Reconcile fund, account balances and bank balances timely - the District currently has a Director of Accounting and one (1) Accountant devoted to reconciling funds and account balances. However, the one Accountant is primarily responsible for overseeing all District state and federal categorical programs which makes is virtually impossible for the Accountant to assist leaving the responsibility on the shoulders of the Director. To assist with these areas the District has been utilizing the Budget Analysis and the Chief Business Officer to provide fund, account and bank

reconciliations which pulls away to the day-to-day duties of the Chief Business Officer. Prior to July 1, 2011, the District had one (1) Accounting Manager and three (3) Accountants devoted to providing fund and account balance reconciliations, bank reconciliations and managing all District state and federal categorical programs which currently the District is managing the same workload with only one (1) Director of Accounting and one (1) Accountant.

Reconcile the District's two financial systems timely – as noted above the District currently has a Director of Accounting and one (1) Accountant devoted to reconcile the District's two financial systems. However, the one (1) Accountant is primarily responsible for overseeing all District state and federal categorical programs. This leaves the responsibility on the shoulders of the Director. To assist with the reconciliation the District has been utilizing the Budget Analysis and the Chief Business Officer to provide system reconciliations which pulls away to the day-to-day duties of the Chief Business Officer.

Analyze accounting data – the lack of staff puts tremendous pressure on the District's year-end closing process which accounts for when majority of the analysis is done. At a minimum this analysis of accounting data should be done on a quarterly basis however at this time there's not adequate time and staff available to do this work. The result is the risk of the year-end closing process not discovering accounting errors, reporting errors, and inaccuracies which would result in audit adjustments and significant deficiencies in internal controls.

Lack of day-to-day management and oversight of District categorical budgets – the District currently has one (1) Accountant to oversee all District state and federal categorical programs which are more than 30 programs totaling approximately \$4 million in annual expenditures and growing. As addressed above prior to July 1, 2011, the District had one (1) Accounting Manager and three (3) Accountants devoted to providing fund and account balance reconciliations, bank reconciliations and managing all District state and federal categorical programs which currently the District is managing the same workload with only one (1) Director of Accounting and one (1) Accountant. To adequately provide the technical support needed to provide financial and compliance resources to departments – a minimum of one (1) additional Accountant is needed. levels in the Accounting area is two-fold. One major concern is with the inability to process invoices timely, reconcile fund and account balances timely, reconcile the District's two financial systems, and analysis accounting data. The other concern is with the lack of day-to-day operational management and oversight of the District categorical budgets and accounting matters. Prior to July 1, 2012, there were a total of 4 accountants and 3 accounting technicians.

C. Campus/Community Collaboration

Instructions: List collaborative efforts with the campus and external community that are designed to benefit the program. List how the collaborative efforts should be strengthened and what new collaborations or partnerships should be pursued to improve the program.

What collaborations or partnerships have been established with other programs on campus or in the community? Describe the effectiveness of each collaboration or partnership.

The District collaborates with El Camino College to assist in the posting of PeopleSoft financial data to DataTel financial systems. As part of the partnership agreement between El Camino Community College District and Compton Community College District, the DataTel system (El Camino system) is utilized at Compton for student services and financial in conjunction with Compton financial system (PeopleSoft). Compton does not have any ability to modify or upload data to the DataTel system therefore must utilize the support of El Camino staff. With relying on El Camino to update, upload, post, upgrade, and modify the system, this puts Compton at a disadvantage. Compton typically has to wait approximately two months in order to reconcile both systems due to the time lag El Camino takes to upload our system.

How can program personnel strengthen these collaborations or partnerships?

One way to improve this collaboration is to allow Compton the ability to upload data to DataTel without over relying on El Camino. Another way is for Compton to eliminate use of DateTel's financial system and only use DateTel for student services (i.e. Enrollment). This will require Compton to use PeopleSoft exclusively as its financial system which would eliminate staff time and headaches of posting, entering, and reconciling two independent systems. Accounting Services would be able to be more efficient and provide more resources in areas of reviewing and analysis.

What other collaborations or partnerships should program personnel pursue for program improvement and why?

Compton should eliminate the use of DateTel's financial system and only use DateTel for student services (i.e. Enrollment). This will require Compton to use PeopleSoft exclusively as its financial system which would eliminate. With relying on El Camino to update, upload, post, upgrade, and modify the system, this puts Compton at a disadvantage. Compton typically has to wait approximately two months in order to reconcile both systems due to the time lag El Camino takes to upload our system. The use of PeopleSoft exclusively as its financial system would eliminate staff time of entering and posting transactions in both systems, and having to reconcile two independent systems. Typically a District of comparable size would input and post approximately 10,000+ transactions annually; however this amount is doubled in Compton's cause since each transaction must be recorded in two independent systems. This is extremely inefficient to operate two independent systems which cause confusion for the end user and other external entities who review Compton's financial data.

D. Program Data Recommendations

Instructions: Compile all program data recommendations from A-C.

The following major improvements that have been identified as follows:

1. Inability to process invoices timely
2. Reconcile fund, account balances, bank balances timely
3. Reconcile the District's two financial systems timely
4. Analysis accounting data
5. Lack of day-to-day management and oversight of District categorical budgets
6. Eliminate the need of two financial systems

III. PROGRAM REQUIREMENTS

A. Program Support

Instructions: List campus departments that are essential to the success of this program, the impact of those departments on the program, and what is being done to strengthen the partnership between each.

All programs depend upon the support of other departments on campus. What is the impact of those departments on this program and what can program personnel do to further strengthen those relations?

The primary function of the Accounting Services department is serving the financial and reporting needs of the District and all departments throughout the District. The Accounting Services supports the District's Mission, Vision, Core Values, and Goals by providing accounting and financial resources needed to ensure staff, faculty, and students can be provide an effective learning environment. The Accounting Services department provides accounting, accounts payable, accounts receivable, audits, auxiliary services, banking, budgeting, cashiering, cash receipts, chart of accounts, financial reporting, investment & financing, petty cash, student accounts, student financial service, and student refunds services for the District.

It is essential that this program (Accounting Services) is adequately funded both financially and staff. The Accounting Services department is highly dependent on the support of Management Information Systems (MIS) in order to functionally operate and run financial, student enrollment, and payroll systems. Current software updates and current programs much as Microsoft Office 2010 or better is also vital to ensure operating systems function properly and do not limit Accounting Service's ability to process and analysis large amounts of data that require the use of 1,000,000+ lines. Having operating systems that are no more than two – three years old is also critical in ensuring operating systems maintain under warranty and ensuring staff are given all the necessary tools and processing speed to perform the job effectively and efficiently. Since staff have to compile and analysis large amounts of data (as much as 1,000,000+ line items) it is inefficient to have to wait several minutes to open a document due to old and outdated operating systems. It's extremely difficult to have slow processing operating systems and limits the staff efficiency and productively.

B. Facilities and Equipment

Instructions: Provide a summary of the current state of the program's facilities and equipment and list recommendations if appropriate.

Describe the adequacy/inadequacy of the facilities and equipment available to the program.

The Business Office when Accounting Services is housed is located in C-34 which is an outdate facility. Carpet has not been replaced for several years and is in need of replacement and the Business Office needs a fresh coat of paint. The Business Office is consultants with vendors,

contractors and other professional organizations. It is important to maintain a professional work environment that is perceived as a professional work place to ensure competitive pricing for the District. Staff workplaces are also very old and outdated. Staff work areas provide limited areas of storage place for essential documents. A number of staff members have had to obtain ergonomic evaluations on the work area due to poor work areas. Staff members must be equipped with ergonomic friendly work areas and be provided adequate storage place.

Additionally current software updates and current programs such as Microsoft Office 2010 or better is also vital to ensure operating systems function properly and do not limit Accounting Service's ability to process and analyze large amounts of data that require the use of 1,000,000+ lines. Having operating systems that are no more than two – three years old is also critical in ensuring operating systems maintain under warranty and ensuring staff are given all the necessary tools and processing speed to perform the job effectively and efficiently. Since staff have to compile and analyze large amounts of data (as much as 1,000,000+ line items) it is inefficient to have to wait several minutes to open a document due to old and outdated operating systems. It's extremely difficult to have slow processing operating systems and limits the staff efficiency and productivity.

List recommendations regarding facilities and equipment below

The following upgrades will cost between \$89,000 - \$129,000 are as follows:

1. Replace carpet and repaint the Business Office - \$17,000
2. Replace all work areas cubicles in the Business Office - \$50,000 - \$90,000
3. Replace and upgrade all operating systems to include the most up-to-date software - \$22,000 (11 operating systems @ \$2K each)

C. Staffing

CI. Describe the adequacy/inadequacy of the program's current staffing level.

The purpose of the Accounting Services department is to oversee the Accounting, accounts payable, accounts receivable, audits, auxiliary services, banking, budgeting, cashiering, cash receipts, chart of accounts, financial reporting, investment & financing, petty cash, student accounts, student financial service, and student refunds. The staffing of this department consists of the Chief Business Officer, and Director of Accounting. Since July 1, 2012, the office also consists of 7 Classified Accounting staff and 2 vacant positions.

Fill in the personnel status data below and answer the following questions.

Please list each position by classification in the department/program	Percent of employment	Months per year of employment	Source of funding	FTE
Managers				
Chief Business Officer	100	12	General	1.0
Director of Accounting	100	12	General	1.0
Classified				
Accounting Supervisor	100	12	General	1.0
Budget Analyst	100	12	General	1.0
Accountant	100	12	General	2.0
Accountant (Vacant)	100	12	General	1.0
Accounting Technician	100	12	General	2.0
Accounting Technician (Vacant)	100	12	General	1.0
Account Clerk	100	12	General	1.0

CII. How does this data impact the program or the future of the program?

The Accounting Services department area is not adequately staffed in terms of number of staffing in the area.

The concern of inadequate staffing levels in the Accounting area is two-fold. One major concern is with the inability to process invoices timely, reconcile fund and account balances timely, reconcile the District's two financial systems, and analysis accounting data. The other concern is with the lack of day-to-day operational management and oversight of the District categorical budgets and accounting matters. Prior to July 1, 2012, there were a total of 4 accountants and 3 accounting technicians.

Reconciling the District's two financial systems is a timely process. The District currently uses high level managers to reconcile the systems. The District has the Director of Accounting and one (1) Accountant devoted to reconcile the District's two financial systems. However, the one (1) Accountant is primarily responsible for overseeing all District state and federal categorical programs. This leaves the responsibility on the shoulders of the Director. To assist with the reconciliation the District has been utilizing the Budget Analysis and the Chief Business Officer to provide system reconciliations which pulls away to the day-to-day duties of the Chief Business Officer. The negative impact to the program is having the Chief Business Officer pulled away from his administrative duties to perform day-to-day operational duties to order to maintain the operations and effectiveness of the services provided. The CBO is routinely

assisting in day-to-day in order to ensure the District continues move forward. However, this also negatively impacts the CBO ability to provide timely assistance and support to the CEO.

CIII. Are program personnel current in their field? If not, describe what is needed to maintain currency and how it will improve the program.

The vast majority of staff within the Accounting Services area is not current in their field. For example, many of at or near retirement and choose not to make any effort of improving their technical skills. Training is essential and has been and will continue to be provided to staff in key areas such as improved general accounting knowledge, Budget and Accounting Manual training, federal, state, and local categorical program training. Having the technical knowledge will enable Accounting Services staff to better monitor, review, analysis, reconcile, and provide technical support to various departments, especially in categorical programs.

CIV. List and prioritize all staffing recommendations.

The following is listed in order of priority:

1. Accountant (salary/benefit) - \$70,000 - \$80,000
2. Accounting Technician (salary/benefit) - \$63,000 – 78,000)
3. Initial Training - \$15,000
4. Ongoing annual training - \$5,000

D. Planning

Instructions: Analyze external (advisory committee input, academic/trade journal articles, or other appropriate sources) and internal information to determine changes or trends that will impact the program within the next five years. Explain how the program's planning process involves program staff, ties into the institution's goals and student learning outcomes, and is linked to budgeting.

What major changes or trends might impact the program in the next five years? What program plans are in place or will be created to respond to major changes or trends?

Over the next year, the District anticipates in moving off DateTel as a financial system and exclusively operates PeopleSoft as its financial system. This would require additional costs to implement the purchasing modular within PeopleSoft. This would also require campus wide

training for all end users. This move from two financial systems to one financial system would greatly increase the productivity of Accounting Services. The District posts and records approximately 15,000 transactions annually however this amount is doubled (30,000) having to input into two financial systems. A significant amount of time is spent on reconciling the two systems limiting staff productivity. Staff can spend days looking for reconciling items that post in one system but not the other. Unfortunately this must be done in order to implement and resolve prior-year findings however this process is a complete waste of valuable staff time. Staff cannot continue to operate in this manner for the long-term.

Over the next one – two years, Governmental Auditing Standards (GAS) and the Office of Management and Budget (OMB) are restricting what types of work external auditors can perform on-behalf of their clients. One of these restrictions will be to eliminate the preparation of financial statements for the annual audit. Therefore, the District will be required to have personnel with the knowledge and technical ability to prepare consolidated financial statements under the Business-Type Activity model in accordance with GASB 35.

These changes will allow Accounting Services to support the District's Mission, Vision, Core Values, and Goals by providing accounting and financial resources needed to ensure staff, faculty, and students can be provided an effective learning environment.

What data, not currently provided, would be needed to improve program development planning? Explain the type of data desired, why it will be useful, and list the possible sources, if known.

Customer/Student/Client survey data is not currently provided and is needed in order to determine other program deficiencies that can be improved on. This will also support whether or not this program review needs any additional modifications.

Describe how program personnel are made aware of what is happening in the program, future program plans, external/internal changes affecting the program, and changes that need to be made to enable the program to adapt and continue to be successful.

The Chief Business Officer meets with program personnel to determine the goals and future of the program for Accounting Services. Internal changes such as assignment and workload are communicated through written correspondence. The development of procedures affecting the program and personnel are done collaboratively among the Accounting Services personnel in order for successful implementation.

Goals are discussed during staff members and ensure all members are aware of the goals both short and long-term.

Explain how program personnel are involved in the creation and implementation of program plans.

The creation of the program plan is development by the Chief Business Officer with collaboration from the Director of Accounting. The Director of Accounting is charged with the implementation of the program plans.

Describe how the program's plans tie into the institution's goals?

The Accounting Services program review is developed to ensure the District maintains financial stability and integrity to order to accomplish its goal of providing residents of its service region with diverse educational, career and cultural opportunities which links to the District's strategic initiatives. Improve processes, programs, and services through the effective use of assessment, program review, planning, and resource allocation.

The Accounting Services department is committed to ensuring the District is financially able to provide comprehensive curriculum in a safe, friendly and accessible environment that prepares students to achieve their personal and professional goals through the following means:

- Ensuring sufficient funding for various events/activities that support the Mission, Vision, Core Values and Goals of the District and through timely processing of the related expenditure and reimbursement documents.
- Providing accurate reporting to board, state, and federal agencies.
- Managing the District budgeting and ensuring adequate reserves a sufficient for long-term planning.
- Supporting the decision-making process through transparency in the budget development process.

Describe how the program's plans tie into student learning outcomes?

Describe how the program's plans are linked to the program's budgeting activities.

E. Program Requirement Recommendations

Instructions: List all recommendations made in the program requirement section.

IV. Recommendations

Instructions: Provide a prioritized list of all recommendations made throughout this program review and the cost associated with each recommendation. List the strategies program personnel will pursue to aid in the achievement of each recommendation.

Show the linkage to the institution's goals by stating each program review recommendation as an objective statement with corresponding success indicators. *Enter this section into the campus planning software.*

